



DOUGLAS A. DUCEY  
GOVERNOR

STATE OF ARIZONA  
OFFICE OF THE GOVERNOR

EXECUTIVE OFFICE

March 23, 2018

The Honorable Michele Reagan  
Secretary of State  
1700 W. Washington, 7<sup>th</sup> Floor  
Phoenix, AZ 85007

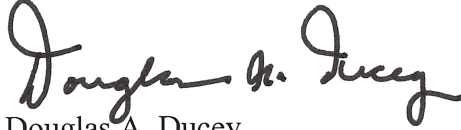
Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 2<sup>nd</sup> Regular Session, which I signed on March 23, 2018:

SB 1022 DHS; homemade food products (Farnsworth, D.)  
SB 1045 home inspectors (Kavanagh)  
SB 1052 county flood control districts; easements (Griffin)  
SB 1063 produce safety rule; state administration (Griffin)  
SB 1077 fund solicitations; charities; unlawful acts (Barto)  
SB 1097 unclaimed property; notice; publication; claims (Petersen)  
SB 1142 private land acquisition; committee; continuation (Griffin)  
SB 1144 conservation easements; notice; valuation (Griffin)  
SB 1182 conservation districts; additional directors (Griffin)  
SB 1198 blind persons' rights; adoption; custody (Barto)  
SB 1246 behavioral health board (Barto)  
SB 1249 campaign finance violations; appeals (Burgess)  
SB 1255 teachers; alternative performance evaluations (Allen, S.)  
SB 1256 school bus definition; vans (Allen, S.)  
SB 1412 unclaimed property; electric cooperatives; credits (Griffin)  
HB 2005 public service corporations; penalties (Leach)  
HB 2007 evasion; crime; personal disguises (Lawrence)  
HB 2017 state land department; continuation (Mitchell)  
HB 2045 acupuncture board; continuation (Carter)  
HB 2124 life and disability insurance; insolvencies (Livingston)  
HB 2151 joint powers; fire protection services (John)  
HB 2167 Arizona commerce authority; continuation; requirements (Weninger)

HB 2180 fire district budget hearings (Coleman)  
HB 2185 school districts; tax levy; calculation (Norgaard)  
HB 2189 prisoners; dedicated discharge account; use (Boyer)  
HB 2215 veterinary medical examining board; continuation (Barton)  
HB 2256 podiatrists; examination; repeal (Carter)  
HB 2331 state lottery; multijurisdictional games (Weninger)  
HB 2385 property tax appeals; court findings (Clodfelter)

Sincerely,

A handwritten signature in black ink, reading "Douglas A. Ducey". The signature is fluid and cursive, with the first name "Douglas" being the most prominent.

Douglas A. Ducey  
Governor  
State of Arizona

cc: Senate Secretary  
Chief Clerk of the House of Representatives  
Arizona News Service

Senate Engrossed

State of Arizona  
Senate  
Fifty-third Legislature  
Second Regular Session  
2018

**FILED**  
**MICHELE REAGAN**  
**SECRETARY OF STATE**

**CHAPTER 45**  
**SENATE BILL 1022**

AN ACT

AMENDING SECTION 36-136, ARIZONA REVISED STATUTES; RELATING TO THE  
DEPARTMENT OF HEALTH SERVICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 36-136, Arizona Revised Statutes, is amended to  
3 read:

4 36-136. Powers and duties of director; compensation of  
5 personnel; rules; definitions

6 A. The director shall:

7 1. Be the executive officer of the department of health services  
8 and the state registrar of vital statistics but shall not receive  
9 compensation for services as registrar.

10 2. Perform all duties necessary to carry out the functions and  
11 responsibilities of the department.

12 3. Prescribe the organization of the department. The director  
13 shall appoint or remove personnel as necessary for the efficient work of  
14 the department and shall prescribe the duties of all personnel. The  
15 director may abolish any office or position in the department that the  
16 director believes is unnecessary.

17 4. Administer and enforce the laws relating to health and  
18 sanitation and the rules of the department.

19 5. Provide for the examination of any premises if the director has  
20 reasonable cause to believe that on the premises there exists a violation  
21 of any health law or rule of this state.

22 6. Exercise general supervision over all matters relating to  
23 sanitation and health throughout this state. When in the opinion of the  
24 director it is necessary or advisable, a sanitary survey of the whole or  
25 of any part of this state shall be made. The director may enter, examine  
26 and survey any source and means of water supply, sewage disposal plant,  
27 sewerage system, prison, public or private place of detention, asylum,  
28 hospital, school, public building, private institution, factory, workshop,  
29 tenement, public washroom, public restroom, public toilet and toilet  
30 facility, public eating room and restaurant, dairy, milk plant or food  
31 manufacturing or processing plant, and any premises in which the director  
32 has reason to believe there exists a violation of any health law or rule  
33 of this state that the director has the duty to administer.

34 7. Prepare sanitary and public health rules.

35 8. Perform other duties prescribed by law.

36 B. If the director has reasonable cause to believe that there  
37 exists a violation of any health law or rule of this state, the director  
38 may inspect any person or property in transportation through this state,  
39 and any car, boat, train, trailer, airplane or other vehicle in which that  
40 person or property is transported, and may enforce detention or  
41 disinfection as reasonably necessary for the public health if there exists  
42 a violation of any health law or rule.

43 C. The director, after consultation with the department of  
44 administration, may take all necessary steps to enhance the highest and  
45 best use of the state hospital property, including contracting with third



1 parties to provide services, entering into short-term lease agreements  
2 with third parties to occupy or renovate existing buildings and entering  
3 into long-term lease agreements to develop the land and buildings. The  
4 director shall deposit any monies collected from contracts and lease  
5 agreements entered into pursuant to this subsection in the Arizona state  
6 hospital charitable trust fund established by section 36-218. At least  
7 thirty days before issuing a request for proposals pursuant to this  
8 subsection, the department of health services shall hold a public hearing  
9 to receive community and provider input regarding the highest and best use  
10 of the state hospital property related to the request for proposals. The  
11 department shall report to the joint committee on capital review on the  
12 terms, conditions and purpose of any lease or sublease agreement entered  
13 into pursuant to this subsection relating to state hospital lands or  
14 buildings or the disposition of real property pursuant to this subsection,  
15 including state hospital lands or buildings, and the fiscal impact on the  
16 department and any revenues generated by the agreement. Any lease or  
17 sublease agreement entered into pursuant to this subsection relating to  
18 state hospital lands or buildings or the disposition of real property  
19 pursuant to this subsection, including state hospital lands or buildings,  
20 must be reviewed by the joint committee on capital review.

21 D. The director may deputize, in writing, any qualified officer or  
22 employee in the department to do or perform on the director's behalf any  
23 act the director is by law empowered to do or charged with the  
24 responsibility of doing.

25 E. The director may delegate to a local health department, county  
26 environmental department or public health services district any functions,  
27 powers or duties that the director believes can be competently,  
28 efficiently and properly performed by the local health department, county  
29 environmental department or public health services district if:

30 1. The director or superintendent of the local health agency,  
31 environmental agency or public health services district is willing to  
32 accept the delegation and agrees to perform or exercise the functions,  
33 powers and duties conferred in accordance with the standards of  
34 performance established by the director of the department of health  
35 services.

36 2. Monies appropriated or otherwise made available to the  
37 department for distribution to or division among counties or public health  
38 services districts for local health work may be allocated or reallocated  
39 in a manner designed to ensure the accomplishment of recognized local  
40 public health activities and delegated functions, powers and duties in  
41 accordance with applicable standards of performance. Whenever in the  
42 director's opinion there is cause, the director may terminate all or a  
43 part of any delegation and may reallocate all or a part of any funds that  
44 may have been conditioned on the further performance of the functions,  
45 powers or duties conferred.

1 F. The compensation of all personnel shall be as determined  
2 pursuant to section 38-611.

3 G. The director may make and amend rules necessary for the proper  
4 administration and enforcement of the laws relating to the public health.

5 H. Notwithstanding subsection I, paragraph 1 of this section, the  
6 director may define and prescribe emergency measures for detecting,  
7 reporting, preventing and controlling communicable or infectious diseases  
8 or conditions if the director has reasonable cause to believe that a  
9 serious threat to public health and welfare exists. Emergency measures  
10 are effective for no longer than eighteen months.

11 I. The director, by rule, shall:

12 1. Define and prescribe reasonably necessary measures for  
13 detecting, reporting, preventing and controlling communicable and  
14 preventable diseases. The rules shall declare certain diseases  
15 reportable. The rules shall prescribe measures, including isolation or  
16 quarantine, that are reasonably required to prevent the occurrence of, or  
17 to seek early detection and alleviation of, disability, insofar as  
18 possible, from communicable or preventable diseases. The rules shall  
19 include reasonably necessary measures to control animal diseases  
20 transmittable to humans.

21 2. Define and prescribe reasonably necessary measures, in addition  
22 to those prescribed by law, regarding the preparation, embalming,  
23 cremation, interment, disinterment and transportation of dead human bodies  
24 and the conduct of funerals, relating to and restricted to communicable  
25 diseases and regarding the removal, transportation, cremation, interment  
26 or disinterment of any dead human body.

27 3. Define and prescribe reasonably necessary procedures that are  
28 not inconsistent with law in regard to the use and accessibility of vital  
29 records, delayed birth registration and the completion, change and  
30 amendment of vital records.

31 4. Except as relating to the beneficial use of wildlife meat by  
32 public institutions and charitable organizations pursuant to title 17,  
33 prescribe reasonably necessary measures to ensure that all food or drink,  
34 including meat and meat products and milk and milk products sold at the  
35 retail level, provided for human consumption is free from unwholesome,  
36 poisonous or other foreign substances and filth, insects or  
37 disease-causing organisms. The rules shall prescribe reasonably necessary  
38 measures governing the production, processing, labeling, storing,  
39 handling, serving and transportation of these products. The rules shall  
40 prescribe minimum standards for the sanitary facilities and conditions  
41 that shall be maintained in any warehouse, restaurant or other premises,  
42 except a meat packing plant, slaughterhouse, wholesale meat processing  
43 plant, dairy product manufacturing plant or trade product manufacturing  
44 plant. The rules shall prescribe minimum standards for any truck or other  
45 vehicle in which food or drink is produced, processed, stored, handled,



1 served or transported. The rules shall provide for the inspection and  
2 licensing of premises and vehicles so used, and for abatement as public  
3 nuisances of any premises or vehicles that do not comply with the rules  
4 and minimum standards. The rules shall provide an exemption relating to  
5 food or drink that is:

6 (a) Served at a noncommercial social event such as a potluck.

7 (b) Prepared at a cooking school that is conducted in an  
8 owner-occupied home.

9 (c) Not potentially hazardous and prepared in a kitchen of a  
10 private home for occasional sale or distribution for noncommercial  
11 purposes.

12 (d) Prepared or served at an employee-conducted function that lasts  
13 less than four hours and is not regularly scheduled, such as an employee  
14 recognition, an employee fund-raising or an employee social event.

15 (e) Offered at a child care facility and limited to commercially  
16 prepackaged food that is not potentially hazardous and whole fruits and  
17 vegetables that are washed and cut on-site for immediate consumption.

18 (f) Offered at locations that sell only commercially prepackaged  
19 food or drink that is not potentially hazardous.

20 (g) ~~Baked and confectionary goods~~ A COTTAGE FOOD PRODUCT that ~~are~~  
21 IS not potentially hazardous OR A TIME OR TEMPERATURE CONTROL FOR SAFETY  
22 FOOD and that ~~are~~ IS prepared in a kitchen of a private home for  
23 commercial purposes, ~~if~~ INCLUDING FRUIT JAMS AND JELLIES, DRY MIXES MADE  
24 WITH INGREDIENTS FROM APPROVED SOURCES, HONEY, DRY PASTA AND ROASTED  
25 NUTS. COTTAGE FOOD PRODUCTS MUST BE packaged AT HOME with ~~a~~ AN ATTACHED  
26 label that clearly states the ~~address~~ NAME AND REGISTRATION NUMBER of the  
27 ~~maker, includes contact information for the maker~~ FOOD PREPARER, lists all  
28 the ingredients in the product AND THE PRODUCT'S PRODUCTION DATE and  
29 ~~discloses that the product was prepared in a home. The label must be~~  
30 ~~given to the final consumer of the product~~ INCLUDES THE FOLLOWING  
31 STATEMENT: "THIS PRODUCT WAS PRODUCED IN A HOME KITCHEN THAT MAY PROCESS  
32 COMMON FOOD ALLERGENS AND IS NOT SUBJECT TO PUBLIC HEALTH INSPECTION." If  
33 the product was made in a facility for individuals with developmental  
34 disabilities, the label must also disclose that fact. The person  
35 preparing the food or supervising the food preparation must ~~obtain a food~~  
36 ~~handler's card or certificate if one is issued by the local county and~~  
37 COMPLETE A FOOD HANDLER TRAINING COURSE FROM AN ACCREDITED PROGRAM AND  
38 MAINTAIN ACTIVE CERTIFICATION. THE FOOD PREPARER must register with an  
39 online registry established by the department pursuant to paragraph 13 of  
40 this subsection. THE FOOD PREPARER MUST DISPLAY THE PREPARER'S  
41 CERTIFICATE OF REGISTRATION WHEN OPERATING AS A TEMPORARY FOOD  
42 ESTABLISHMENT. For the purposes of this subdivision, "NOT potentially  
43 hazardous" means ~~baked and confectionary goods~~ COTTAGE FOOD PRODUCTS that  
44 meet the requirements of the food code published by the United States food

1 and drug administration, as modified and incorporated by reference by the  
2 department by rule.

3 (h) A whole fruit or vegetable grown in a public school garden that  
4 is washed and cut on-site for immediate consumption.

5 5. Prescribe reasonably necessary measures to ensure that all meat  
6 and meat products for human consumption handled at the retail level are  
7 delivered in a manner and from sources approved by the Arizona department  
8 of agriculture and are free from unwholesome, poisonous or other foreign  
9 substances and filth, insects or disease-causing organisms. The rules  
10 shall prescribe standards for sanitary facilities to be used in identity,  
11 storage, handling and sale of all meat and meat products sold at the  
12 retail level.

13 6. Prescribe reasonably necessary measures regarding production,  
14 processing, labeling, handling, serving and transportation of bottled  
15 water to ensure that all bottled drinking water distributed for human  
16 consumption is free from unwholesome, poisonous, deleterious or other  
17 foreign substances and filth or disease-causing organisms. The rules  
18 shall prescribe minimum standards for the sanitary facilities and  
19 conditions that shall be maintained at any source of water, bottling plant  
20 and truck or vehicle in which bottled water is produced, processed, stored  
21 or transported and shall provide for inspection and certification of  
22 bottled drinking water sources, plants, processes and transportation and  
23 for abatement as a public nuisance of any water supply, label, premises,  
24 equipment, process or vehicle that does not comply with the minimum  
25 standards. The rules shall prescribe minimum standards for  
26 bacteriological, physical and chemical quality for bottled water and for  
27 the submission of samples at intervals prescribed in the standards.

28 7. Define and prescribe reasonably necessary measures governing ice  
29 production, handling, storing and distribution to ensure that all ice sold  
30 or distributed for human consumption or for the preservation or storage of  
31 food for human consumption is free from unwholesome, poisonous,  
32 deleterious or other foreign substances and filth or disease-causing  
33 organisms. The rules shall prescribe minimum standards for the sanitary  
34 facilities and conditions and the quality of ice that shall be maintained  
35 at any ice plant, storage and truck or vehicle in which ice is produced,  
36 stored, handled or transported and shall provide for inspection and  
37 licensing of the premises and vehicles, and for abatement as public  
38 nuisances of ice, premises, equipment, processes or vehicles that do not  
39 comply with the minimum standards.

40 8. Define and prescribe reasonably necessary measures concerning  
41 sewage and excreta disposal, garbage and trash collection, storage and  
42 disposal, and water supply for recreational and summer camps, campgrounds,  
43 motels, tourist courts, trailer coach parks and hotels. The rules shall  
44 prescribe minimum standards for preparation of food in community kitchens,  
45 adequacy of excreta disposal, garbage and trash collection, storage and



1 disposal and water supply for recreational and summer camps, campgrounds,  
2 motels, tourist courts, trailer coach parks and hotels and shall provide  
3 for inspection of these premises and for abatement as public nuisances of  
4 any premises or facilities that do not comply with the rules. Primitive  
5 camp and picnic grounds offered by this state or a political subdivision  
6 of this state are exempt from rules adopted pursuant to this paragraph but  
7 are subject to approval by a county health department under sanitary  
8 regulations adopted pursuant to section 36-183.02. Rules adopted pursuant  
9 to this paragraph do not apply to two or fewer recreational vehicles as  
10 defined in section 33-2102 that are not park models or park trailers, that  
11 are parked on owner-occupied residential property for less than sixty days  
12 and for which no rent or other compensation is paid. For the purposes of  
13 this paragraph, "primitive camp and picnic grounds" means camp and picnic  
14 grounds that are remote in nature and without accessibility to public  
15 infrastructure such as water, electricity and sewer.

16 9. Define and prescribe reasonably necessary measures concerning  
17 the sewage and excreta disposal, garbage and trash collection, storage and  
18 disposal, water supply and food preparation of all public schools. The  
19 rules shall prescribe minimum standards for sanitary conditions that shall  
20 be maintained in any public school and shall provide for inspection of  
21 these premises and facilities and for abatement as public nuisances of any  
22 premises that do not comply with the minimum standards.

23 10. Prescribe reasonably necessary measures to prevent pollution of  
24 water used in public or semipublic swimming pools and bathing places and  
25 to prevent deleterious health conditions at these places. The rules shall  
26 prescribe minimum standards for sanitary conditions that shall be  
27 maintained at any public or semipublic swimming pool or bathing place and  
28 shall provide for inspection of these premises and for abatement as public  
29 nuisances of any premises and facilities that do not comply with the  
30 minimum standards. The rules shall be developed in cooperation with the  
31 director of the department of environmental quality and shall be  
32 consistent with the rules adopted by the director of the department of  
33 environmental quality pursuant to section 49-104, subsection B,  
34 paragraph 12.

35 11. Prescribe reasonably necessary measures to keep confidential  
36 information relating to diagnostic findings and treatment of patients, as  
37 well as information relating to contacts, suspects and associates of  
38 communicable disease patients. In no event shall confidential information  
39 be made available for political or commercial purposes.

40 12. Prescribe reasonably necessary measures regarding human  
41 immunodeficiency virus testing as a means to control the transmission of  
42 that virus, including the designation of anonymous test sites as dictated  
43 by current epidemiologic and scientific evidence.



1        13. Establish an online registry of food preparers that are  
2 authorized to prepare COTTAGE food PRODUCTS for commercial purposes  
3 pursuant to paragraph 4 of this subsection. A REGISTERED FOOD PREPARER  
4 SHALL RENEW THE REGISTRATION EVERY THREE YEARS AND SHALL PROVIDE TO THE  
5 DEPARTMENT UPDATED REGISTRATION INFORMATION WITHIN THIRTY DAYS AFTER ANY  
6 CHANGE.

7        14. Prescribe an exclusion for fetal demise cases from the  
8 standardized survey known as "the hospital consumer assessment of  
9 healthcare providers and systems".

10       J. The rules adopted under the authority conferred by this section  
11 shall be observed throughout the state and shall be enforced by each local  
12 board of health or public health services district, but this section does  
13 not limit the right of any local board of health or county board of  
14 supervisors to adopt ordinances and rules as authorized by law within its  
15 jurisdiction, provided that the ordinances and rules do not conflict with  
16 state law and are equal to or more restrictive than the rules of the  
17 director.

18       K. The powers and duties prescribed by this section do not apply in  
19 instances in which regulatory powers and duties relating to public health  
20 are vested by the legislature in any other state board, commission, agency  
21 or instrumentality, except that with regard to the regulation of meat and  
22 meat products, the department of health services and the Arizona  
23 department of agriculture within the area delegated to each shall adopt  
24 rules that are not in conflict.

25       L. The director, in establishing fees authorized by this section,  
26 shall comply with title 41, chapter 6. The department shall not set a fee  
27 at more than the department's cost of providing the service for which the  
28 fee is charged. State agencies are exempt from all fees imposed pursuant  
29 to this section.

30       M. After consultation with the state superintendent of public  
31 instruction, the director shall prescribe the criteria the department  
32 shall use in deciding whether or not to notify a local school district  
33 that a pupil in the district has tested positive for the human  
34 immunodeficiency virus antibody. The director shall prescribe the  
35 procedure by which the department shall notify a school district if,  
36 pursuant to these criteria, the department determines that notification is  
37 warranted in a particular situation. This procedure shall include a  
38 requirement that before notification the department shall determine to its  
39 satisfaction that the district has an appropriate policy relating to  
40 nondiscrimination of the infected pupil and confidentiality of test  
41 results and that proper educational counseling has been or will be  
42 provided to staff and pupils.

43       N. Until the department adopts exemptions by rule as required by  
44 subsection I, paragraph 4, subdivision (f) of this section, food and drink  
45 are exempt from the rules prescribed in subsection I of this section if

1 offered at locations that sell only commercially prepackaged food or drink  
2 that is not potentially hazardous, without a limitation on its display  
3 area.

4 O. Until the department adopts exemptions by rule as required by  
5 subsection I, paragraph 4, subdivision (h) of this section, a whole fruit  
6 or vegetable grown in a public school garden that is washed and cut  
7 on-site for immediate consumption is exempt from the rules prescribed in  
8 subsection I of this section.

9 P. Until the department adopts an exclusion by rule as required by  
10 subsection I, paragraph 14 of this section, the standardized survey known  
11 as "the hospital consumer assessment of healthcare providers and systems"  
12 may not include patients who experience a fetal demise.

13 Q. For the purposes of this section: —

14 1. "COTTAGE FOOD PRODUCT":  
15

16 (a) MEANS A FOOD THAT IS NOT POTENTIALLY HAZARDOUS OR A TIME OR  
17 TEMPERATURE CONTROL FOR SAFETY FOOD AS DEFINED BY THE DEPARTMENT IN RULE  
18 AND THAT IS PREPARED IN A HOME KITCHEN BY AN INDIVIDUAL WHO IS REGISTERED  
19 WITH THE DEPARTMENT.

20 (b) DOES NOT INCLUDE FOODS THAT REQUIRE REFRIGERATION, PERISHABLE  
21 BAKED GOODS, SALSAS, SAUCES, FERMENTED AND PICKLED FOODS, MEAT, FISH AND  
22 SHELLFISH PRODUCTS, BEVERAGES, ACIDIFIED FOOD PRODUCTS, NUT BUTTERS OR  
23 OTHER REDUCED-OXYGEN PACKAGED PRODUCTS.

24 2. "Fetal demise" means a fetal death that occurs or is confirmed  
25 in a licensed hospital. Fetal demise does not include an abortion as  
defined in section 36-2151.

**APPROVED BY THE GOVERNOR MARCH 23, 2018**

**FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 23, 2018**

Passed the House March 19, 2018,

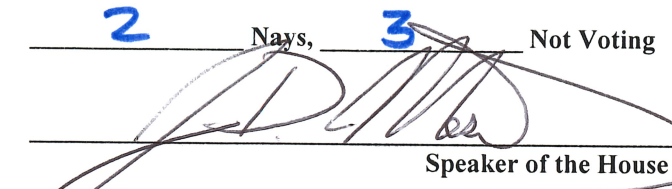
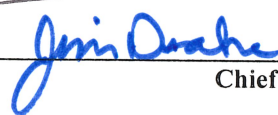
Passed the Senate February 5, 2018,

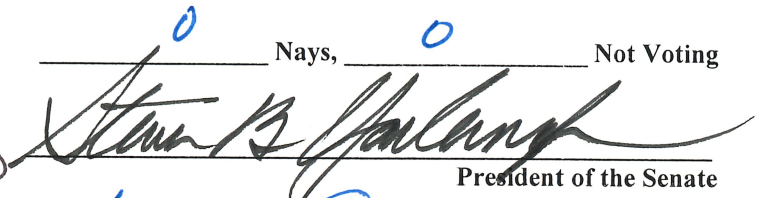
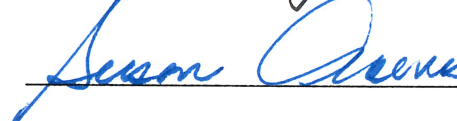
by the following vote: 55 Ayes,

by the following vote: 30 Ayes,

2 Nays, 3 Not Voting

0 Nays, 0 Not Voting

  
Speaker of the House  
  
Chief Clerk of the House

  
President of the Senate  
  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

20<sup>th</sup> day of March, 2018

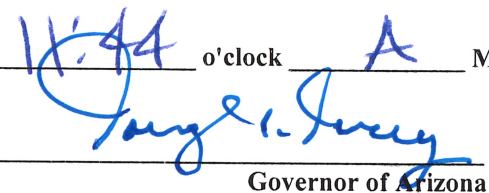
at 1:57 o'clock P. M.

  
Secretary to the Governor

Approved this 23<sup>rd</sup> day of

March, 2018

at 11:44 o'clock A M.

  
Governor of Arizona

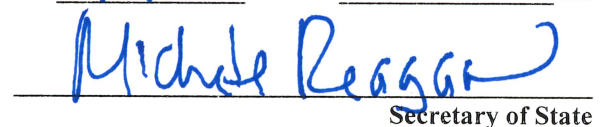
S.B. 1022

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 23 day of March, 2018,

at 4:43 o'clock P. M.

  
Secretary of State